

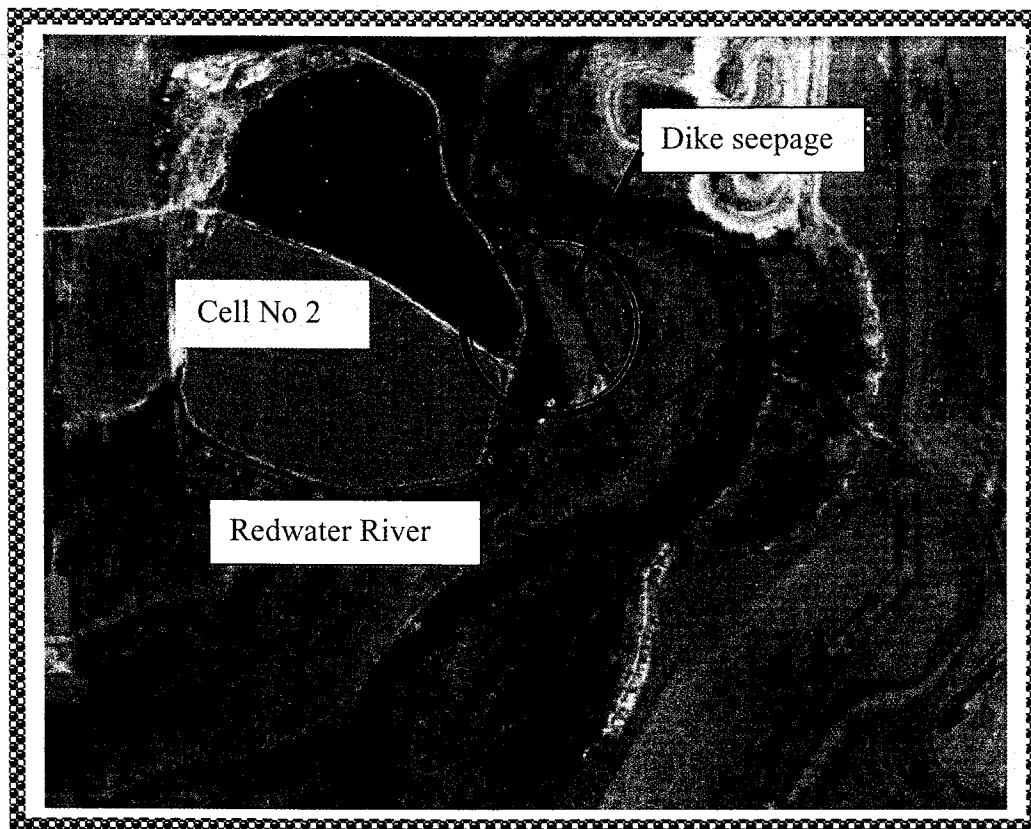
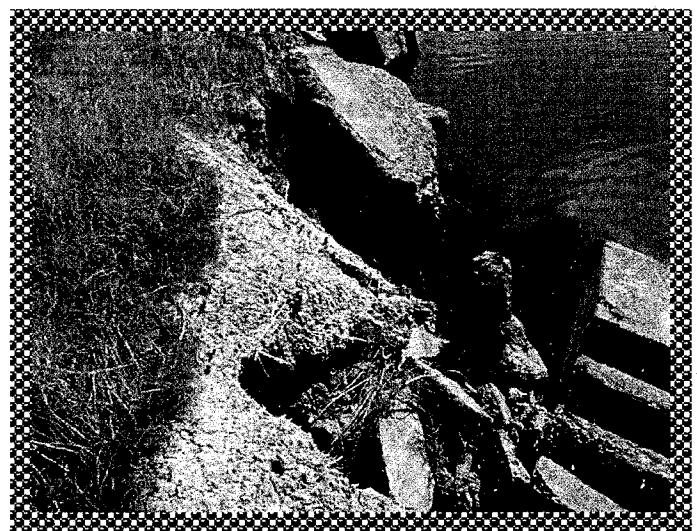
Montana Legislature's Joint
Long-Range Planning Subcommittee
Hearing Testimony Handout
Treasure State Endowment Program

★ Circle ★

★ Wastewater Improvements ★

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January 2007

Circle Wastewater Treatment Facility - Existing Dike
Conditions



Current Status

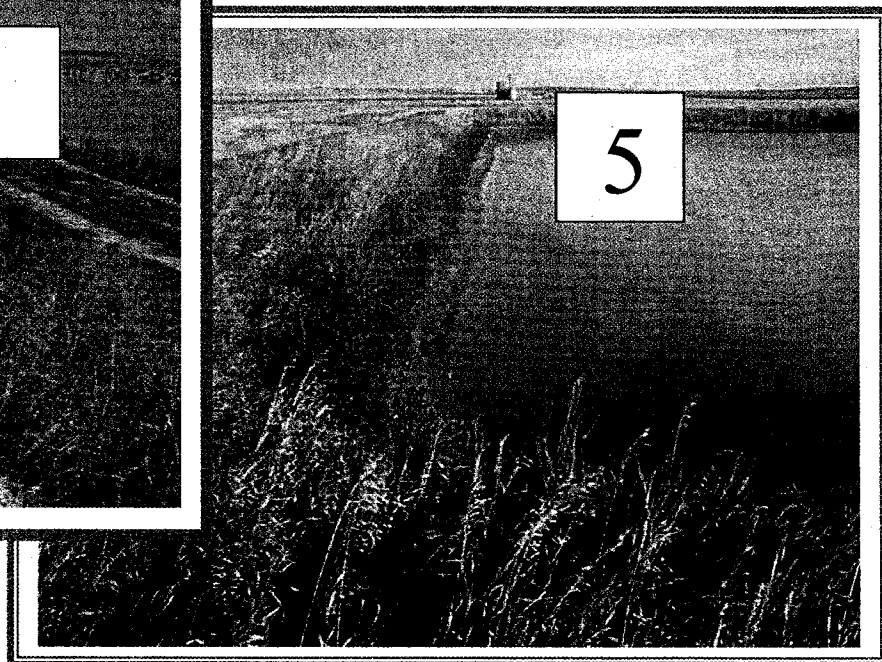
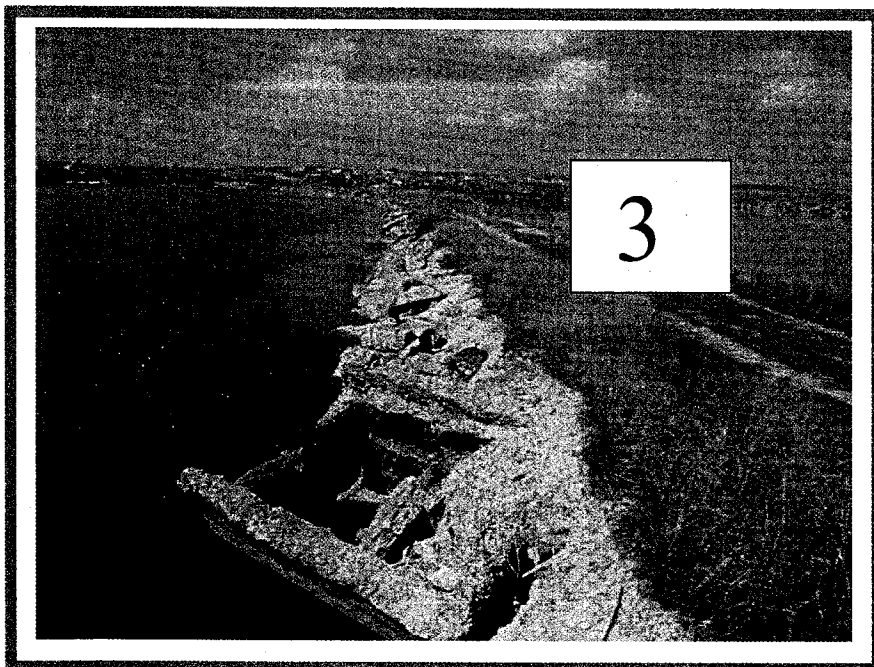
The MDOC recommends the requested funding of the project. This is a great benefit to the citizens of Circle as it will help keep the rate increase down for a community that is already at 118% of the MDOC target rate. The new rates with the TSEP grant will still be 132% of the target rate

We feel that the proposed project design concept does provide for a long-term cost effective solution and we will be able to demonstrate this to the DEQ and the funding agencies.

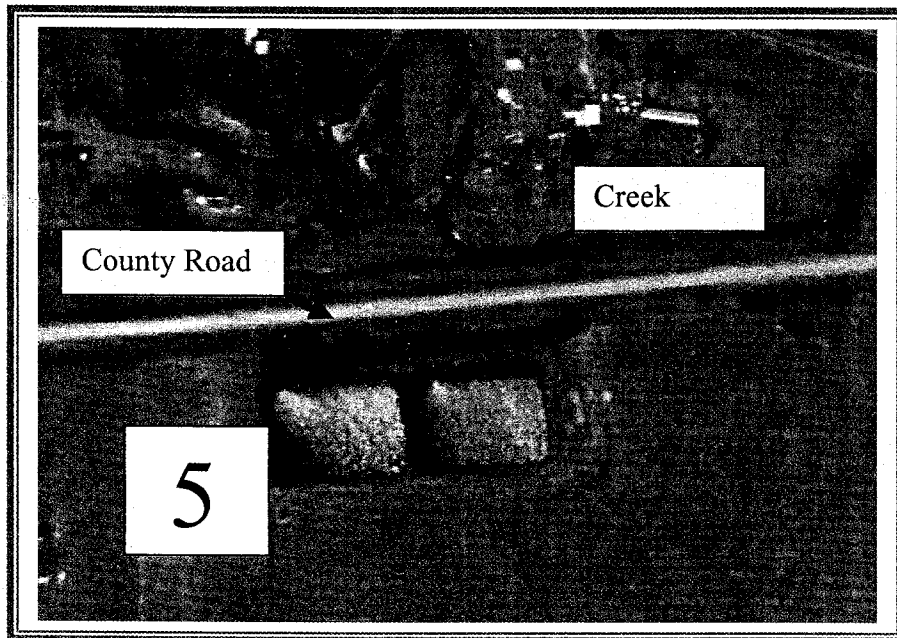
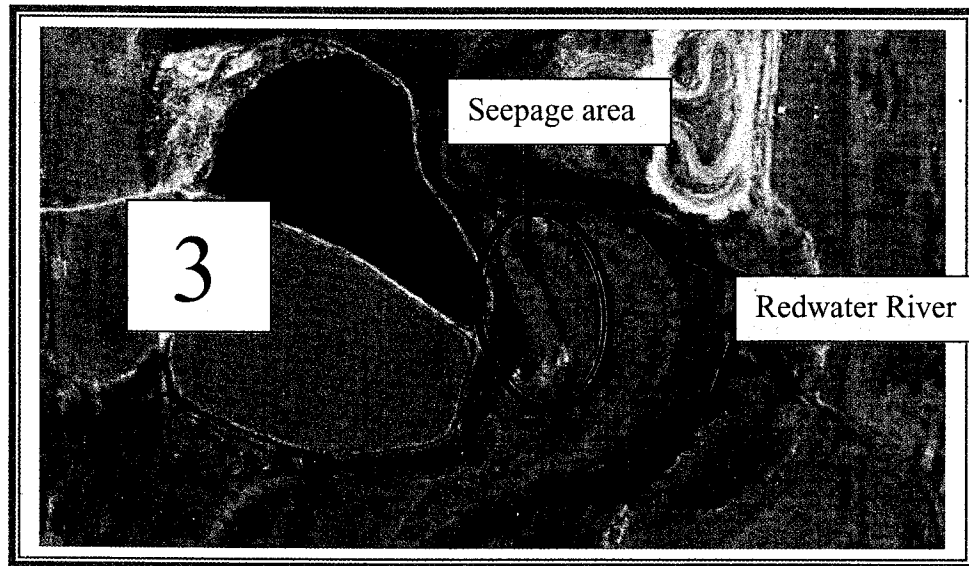
The project reviewers gave Circle the top score on 4 of the 7 Priorities (3, 4, 5, 7), the middle score on Priority 1 and a below average score on priorities 2 and 6. Priority 1 deals with solving urgent health or safety problems and we feel this item may not have been adequately scored and we will provide our basis for that statement in the pictures below. Priority 2 deals with the financial need and is based on a weighted formula that is applied to all applicants. Priority 6 deals with job creation and while the wastewater treatment project will not create jobs it is necessary for the retention of existing jobs and will allow the Town the ability to serve the people that may be employed at the proposed mine/power plant located near Circle.

We feel these priorities were all reasonably scored by the review committee except for Priority No.1. which is entitled "**Solves Urgent Health safety Problems**"

In Circle's application it states that the lagoon has badly eroded dikes and is marginally effective. The picture below on the left shows the condition of the dikes in Circle which were rated a 3 (middle score) and the picture on the right shows a project whose eroded dikes was given a rank of a 5 (highest score).



The second health and safety issue considered when scoring this priority is the leaking of the lagoon cells and how a dike failure would cause a dangerous discharge into nearby waterways. The top picture is the Circle lagoon taken in July of 2005 by the MDT and it clearly shows that a serious seepage of wastewater through the dike is occurring. The area circled shows water the same color as that in the second cell of the lagoon. It also shows the proximity of the leakage to the Redwater River. This condition at the Circle lagoon ranked a middle score of 3. The lower picture also taken in July of 2005 by the MDT shows a project that ranked a top score of 5 and in the application review it was stated that complete failure of the lagoon dikes is imminent and will discharge into the nearby creek. It should be noted that the creek is separated from the lagoon by a road which is like a secondary dike. We feel that the urgency to solve a health or safety problem is not two levels lower in Circle when compared to a similar project.



Closing Comments

In closing we appreciate the time afforded us by the Committee to hear our comments on Circle's proposed wastewater project. Our community recognizes the need to make improvements to our wastewater system and have already implemented a \$7.00 monthly fee to fund improvements to our sewer collection system. We need the TSEP Grant to keep the additional user fee increase to address our wastewater treatment needs to an affordable level. We strongly request your support.